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This is an advance proof copy of an IRS tax form. It is subject to change and OMB approval before it is officially released. You can check the scheduled release date on our web site (www.irs.gov).

If you have any comments on this draft form, you can submit them to us on our web site. Include the word DRAFT in your response. You may make comments anonymously, or you may include your name and e-mail address or phone number. We will be unable to respond to all comments due to the high volume we receive. However, we will carefully consider each suggestion. So that we can properly consider your comments, please send them to us within 30 days from the date the draft was posted.

Publication 972 Draft Worksheet(s)

These draft worksheets from Publication 972, Child Tax Credit, for tax year 2006, are only available on the Internet. Since they are drafts, they are subject to change. If a worksheet is revised, it will be reposted only if there is a change in the computation. When the final version of Publication 972 becomes available, these drafts will be removed.

The worksheets below are used to figure your Child Tax Credit. Most people will only have to use the Child Tax Credit Worksheet. Some

people will use the Line 11 Worksheet if they answered yes to line 11 on the Child Tax Credit Worksheet and some people will use the appropriate Earned Income Worksheet (depending on if they file Form 1040, 1040NR, or 1040A) to figure the amount to put on line 11 of the Child Tax Credit Worksheet.

Comments and suggestions. We welcome your comments about these worksheets.

You can write to us at the following address:

Internal Revenue Service
Individual Forms and Publications Branch
SE:W:CAR:MP:T:I
1111 Constitution Ave. NW, IR-6406
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We respond to many letters by telephone. Therefore, it would be helpful if you would include your daytime phone number, including the area code, in your correspondence.

You can email us at **taxforms@irs.gov*. (The asterisk must be included in the address.) Please put "Publications Comment" on the subject line. Although we cannot respond individually to each email, we do appreciate your feedback and will consider your comments as we revise our tax products.

Child Tax Credit Worksheet

Keep for Your Records



To be a qualifying child for the child tax credit, the child must be **under age 17** at the end of 2006 and meet the other requirements listed on page 2.



Part 1

1. Number of qualifying children: _____ \times \$1,000. Enter the result. 1

2. Enter the amount from Form 1040, line 38, Form 1040A, line 22, or Form 1040NR, line 36. 2

3. **1040 Filers.** Enter the total of any—
 - Exclusion of income from Puerto Rico, and
 - Amounts from Form 2555, lines 45 and 50; Form 2555-EZ, line 18; and Form 4563, line 15.3
- 1040A and 1040NR Filers.** Enter -0-.

4. Add lines 2 and 3. Enter the total. 4

5. Enter the amount shown below for your filing status.
 - Married filing jointly - \$110,000
 - Single, head of household, or qualifying widow(er) - \$75,000
 - Married filing separately - \$55,0005

6. Is the amount on line 4 more than the amount on line 5?

☐ **No.** Leave line 6 blank. Enter -0- on line 7.

☐ **Yes.** Subtract line 5 from line 4.
 If the result is not a multiple of \$1,000, increase it to the next multiple of \$1,000.
 For example, increase \$425 to \$1,000, increase \$1,025 to \$2,000, etc.

6

7. Multiply the amount on line 6 by 5% (.05). Enter the result. 7

8. Is the amount on line 1 more than the amount on line 7?

☐ **No.**

You cannot take the child tax credit on Form 1040, line 53, Form 1040A, line 33, or Form 1040NR, line 48. You also cannot take the additional child tax credit on Form 1040, line 68, or Form 1040A, line 41, or Form 1040NR, line 62. Complete the rest of your Form 1040, 1040A, or Form 1040NR.

☐ **Yes.** Subtract line 7 from line 1. Enter the result.
 Go to Part 2 on the next page.

8

Part 2

9. Enter the amount from Form 1040, line 46, Form 1040A, line 28, or Form 1040NR, line 43.

9	
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10. Add the amounts from—

Form 1040 or Form 1040A or Form 1040NR

Line 47			
Line 48	Line 29	Line 44	+
Line 49	Line 30	Line 45	+
Line 50	Line 31	Line 46	+
Line 51	Line 32	Line 47*	+
Line 52*			+

Enter the total.

10	
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*Include only the amount from Form 5695, line 12.

11. Are you claiming any of the following credits?

- Residential energy efficient property credit, Form 5695, Part II.
- Adoption credit, Form 8839
- Mortgage interest credit, Form 8396
- District of Columbia first-time homebuyer credit, Form 8859

☐ **No.** Enter the amount from line 10.

☐ **Yes.** Complete the Line 11 Worksheet on the next page to figure the amount to enter here.

11	
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12. Subtract line 11 from line 9. Enter the result.

12	
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13. Is the amount on line 8 of this worksheet more than the amount on line 12?

☐ **No.** Enter the amount from line 8.

☐ **Yes.** Enter the amount from line 12. See the **TIP** below.

This is your child tax credit.

13	
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Enter this amount on
Form 1040, line 53,
Form 1040A, line 33,
or Form 1040NR, line
48.



You may be able to take the **additional child tax credit** on Form 1040, line 68, Form 1040A, line 41, **or** Form 1040NR, line 62 only if you answered “Yes” on line 13.

- First, complete your Form 1040 through line 67, Form 1040A through line 40a, or Form 1040NR through line 61.
- Then, use Form 8812 to figure any additional child tax credit.

Before you begin: ✓ Complete the Earned Income Worksheet on page 8 or 9 that applies to you.



Use this worksheet only if you answered "Yes" on line 11 of the Child Tax Credit Worksheet on page 5.

1. Enter the amount from line 8 of the Child Tax Credit Worksheet on page 4.

1

2. Enter your earned income from the worksheet on page 8 or 9 that applies to you.

2

3. Is the amount on line 2 more than \$11,300?

☐ **No.** Leave line 3 blank, enter -0- on line 4, and go to line 5.

☐ **Yes.** Subtract \$11,300 from the amount on line 2. Enter the result.

3

4. Multiply the amount on line 3 by 15% (.15) and enter the result.

4

5. Is the amount on line 1 of the Child Tax Credit Worksheet on page 4 \$3,000 or more?

☐ **No.** If line 4 above is zero, **stop**. Do not complete the rest of this worksheet. Instead, go back to the Child Tax Credit Worksheet on page 5 and do the following. Enter the amount from line 10 on line 11 and complete lines 12 and 13. If line 4 above is more than zero, leave lines 6 through 9 blank, enter -0- on line 10, and go to line 11 on the next page.

☐ **Yes.** If line 4 above is equal to or more than line 1 above, leave lines 6 through 9 blank, enter -0- on line 10, and go to line 11 on the next page. Otherwise, see *1040 filers*, *1040A filers*, and *1040NR filers* on page 7 and then go to line 6.

If married filing jointly, include your spouse's amounts with yours when completing lines 6 and 7.

6. Enter the total of the following amounts from Form(s) W-2:

- Social security taxes from box 4, and
- Medicare taxes from box 6.

Railroad employees, see the bottom of page 7.

6

7. **1040 filers.** Enter the total of any—

- Amounts from Form 1040, lines 27 and 59, and
- Uncollected social security and Medicare or tier 1 RRTA taxes shown in box 12 of your Form(s) W-2 with codes A, B, M, and N.

1040A filers. Enter -0-.

1040NR filers. Enter the total of any—

- Amount from Form 1040NR, line 54, and
- Uncollected social security and Medicare or tier 1 RRTA taxes shown in box 12 of your Forms W-2 with codes A, B, M, and N.

7

8. Add lines 6 and 7. Enter the total.

8

9. **1040 filers.** Enter the total of the amounts from Form 1040, lines 66a and 67.

1040A filers. Enter the total of any—

- Amount from Form 1040A, line 40a, and
- Excess social security and tier 1 RRTA taxes withheld that you entered to the left of Form 1040A, line 43.

1040NR filers. Enter the amount from Form 1040NR, line 61.

9

10. Subtract line 9 from line 8. If the result is zero or less, enter -0-.
Go to line 11 on the next page.

10	
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11. Enter the **larger** of line 4 or line 10.

11	
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12. Is the amount on line 11 of this worksheet more than the amount on line 1?

☐ **No.** Subtract line 11 from line 1. Enter the result.

☐ **Yes.** Enter -0-.

12	
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Next, figure the amount of any of the following credits that you are claiming. Use the amount from line 12 above when you are asked to enter the amount from Form 1040, line 53, Form 1040A, line 33, or Form 1040NR, line 48.

- Residential energy efficient property credit, Form 5695, Part II.
- Adoption credit, Form 8839
- Mortgage interest credit, Form 8396
- District of Columbia first-time homebuyer credit, Form 8859

Then, go to line 13.

13. Enter the total of the amounts from—

- Form 5695, line 29, and
- Form 8839, line 18, and
- Form 8396, line 11, and
- Form 8859, line 5.

13	
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14. Enter the amount from line 10 of the Child Tax Credit Worksheet on page 5.

14	
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15. Add lines 13 and 14. Enter the total.

15	
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Enter this amount on
line 11 of the Child
Tax Credit Worksheet
on page 5.

1040 filers. Complete lines 59, 66a, and 67 of your return if they apply to you.

1040A filers. Complete line 40a of your return if it applies to you. If you, or your spouse if filing jointly, had more than one employer for 2006 and total wages of over \$94,200, figure any excess social security and railroad retirement (RRTA) taxes withheld. See the instructions for Form 1040A, line 43.

1040NR filers. Complete lines 54 and 61 of your return if they apply to you.

Railroad employees. Include the following taxes in the total on line 6 of the Line 11 Worksheet.

- ✓ Tier 1 tax withheld from your pay.
This tax should be shown in box 14 of your Form(s) W-2 and identified as "Tier 1 tax."
- ✓ If you were an employee representative, 50% of the total Tier 1 tax and Tier 1 Medicare tax you paid for 2006.

**Before you begin:**

- ✓ Use this worksheet only if you were sent here from the Line 11 Worksheet on page 6 of this publication or line 4a of Form 8812, Additional Child Tax Credit.
- ✓ Disregard community property laws when figuring the amounts to enter on this worksheet.
- ✓ If married filing jointly, include your spouse's amounts with yours when completing this worksheet.

1. a. Enter the amount from Form 1040, line 7, or Form 1040NR, line 8 **1a.** _____
 b. Enter the amount of any nontaxable combat pay received. Also enter this amount on Form 8812, line 4b. This amount should be shown in Form(s) W-2, box 12, with code Q. **1b.** _____
Next, if you are filing Schedule C, C-EZ, F, or SE, or you received a Schedule K-1 (Form 1065 or Form 1065-B), go to line 2a. Otherwise, skip lines 2a through 2e and go to line 3.
2. a. Enter any statutory employee income reported on line 1 of Schedule C or C-EZ **2a.** _____
 b. Enter any net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1.* Reduce this amount by any unreimbursed nonfarm partnership expenses you deducted on Schedule E. **Do not** include any statutory employee income or any other amounts exempt from self-employment tax. Options and commodities dealers must add any gain or subtract any loss (in the normal course of dealing in or trading section 1256 contracts) from section 1256 contracts or related property **2b.** _____
 c. Enter any net farm profit or (loss) from Schedule F, line 36, and from farm partnerships, Schedule K-1 (Form 1065), box 14, code A.* Reduce this amount by any unreimbursed farm partnership expenses you deducted on Schedule E. **Do not** include any amounts exempt from self-employment tax **2c.** _____
 d. If you used the farm optional method to figure net earnings from self-employment, enter the amount from Schedule SE, Section B, line 15. Otherwise, skip this line and enter on line 2e the amount from line 2c **2d.** _____
 e. If line 2c is a profit, enter the **smaller** of line 2c or line 2d. If line 2c is a (loss), enter the (loss) from line 2c. **2e.** _____
3. Combine lines 1a, 1b, 2a, 2b, and 2e. If zero or less, **stop**. Do not complete the rest of this worksheet. Instead, enter -0- on line 2 of the Line 11 Worksheet on page 6 or line 4a of Form 8812, whichever applies . . **3.** _____
4. Enter any amount included on line 1a that is:
 - a. A scholarship or fellowship grant not reported on Form W-2 **4a.** _____
 - b. For work done while an inmate in a penal institution (enter "PRI" and this amount on the dotted line next to line 7 of Form 1040 or line 8 of Form 1040NR) **4b.** _____
 - c. A pension or annuity from a nonqualified deferred compensation plan or a nongovernmental section 457 plan (enter "DFC" and this amount on the dotted line next to line 7 of Form 1040 or line 8 of Form 1040NR). This amount may be shown in box 11 of your Form W-2. If you received such an amount but box 11 is blank, contact your employer for the amount received as a pension or annuity. **4c.** _____
5. a. Enter any amount included on line 3 that is also included on Form 2555, line 43, or Form 2555-EZ, line 18. **Do not** include any amount that is also included on line 4a, 4b, or 4c above **5a.** _____
 b. Enter the amount, if any, from Form 2555, line 44, that is also deducted on Schedule C, C-EZ, or F, or included on Schedule E in partnership net income or (loss) **5b.** _____
 c. Subtract line 5b from line 5a **5c.** _____
6. Enter the amount from Form 1040, line 27 **6.** _____
7. Add lines 4a through 4c, 5c, and 6 **7.** _____
8. Subtract line 7 from line 3 **8.** _____
 - If you were sent here from the Line 11 Worksheet on page 6, enter this amount on line 2 of that worksheet.
 - If you were sent here from Form 8812, enter this amount on line 4a of that form.

**If you have any Schedule K-1 amounts and you are not required to file Schedule SE, complete the appropriate line(s) of Schedule SE, Section A. Put your name and social security number on Schedule SE and attach it to your return.*

**Before you begin:**

- ✓ Use this worksheet only if you were sent here from the Line 11 Worksheet on page 6 of this publication.
- ✓ Disregard community property laws when figuring the amounts to enter on this worksheet.

1. a. Enter the amount from Form 1040A, line 7 1a. _____
- b. Enter the amount of any nontaxable combat pay received. Also enter this amount on Form 8812, line 4b. This amount should be shown in Form(s) W-2, box 12, with code Q. 1b. _____
- c. Add lines 1a and 1b. 1c. _____
2. Enter any amount included on line 1a that is:
- a. A scholarship or fellowship grant not reported on Form W-2 2a. _____
- b. For work done while an inmate in a penal institution (enter "PRI" and this amount next to line 7 of Form 1040A) 2b. _____
- c. A pension or annuity from a nonqualified deferred compensation plan or a nongovernmental section 457 plan (enter "DFC" and this amount next to line 7 of Form 1040A). This amount may be shown in box 11 of your Form W-2. If you received such an amount but box 11 is blank, contact your employer for the amount received as a pension or annuity 2c. _____
3. Add lines 2a through 2c 3. _____
4. Subtract line 3 from line 1c. Enter the result here and on line 2 of the Line 11 Worksheet on page 6 4. _____